

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3732-01  
Bill No.: HB 1465  
Subject: Consumer Protection; Health Care; Merchandising Practices; Pharmacy  
Type: Original  
Date: March 5, 2002

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**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 3 pages.

**FISCAL ANALYSIS**

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### ASSUMPTION

Officials from the **Department of Public Safety - Missouri State Highway Patrol**, the **Department of Insurance**, the **Missouri Consolidated Health Care Plan**, the **Department of Transportation**, the **Office of the State Courts Administrator**, the **Department of Health**, the **Attorney General's Office**, and the **Missouri Department of Conservation** assume this proposal would not fiscally impact their agencies.

Officials from the **Secretary of State's Office (SOS)** state the volume of health care providers is unknown. Therefore, SOS states the number of additional registrations of agent filings to be received that are not already part of existing corporate filings is unknown. If the volume is small costs would be absorbed within the current budget. However if the volume is high, it would require additional personnel and equipment to process new registrations and service or process requests.

The fiscal impact is unknown due to the lack of data related to number the current businesses and potential new businesses who would be required to register the agents with the SOS. The proposal could have a fiscal impact if the volume of filings and service or process is substantial.

**Oversight** assumes costs could be absorbed by the SOS.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

### FISCAL IMPACT - Small Business

The proposed legislation would have a possible fiscal impact on small businesses engaged in the sale of health-related cash discount cards.

### DESCRIPTION

This proposal establishes new regulations for health-related cash discount cards. The proposal does not apply to eye or vision care services or to glasses or contacts provided by an optometrist or ophthalmologist.

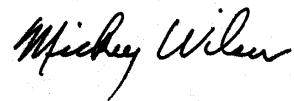
Under the proposal, the sale or promotion of health-related cash discount cards is prohibited where: (1) The card does not predominantly state that the discounts are not insurance; (2) The discounts are not authorized by a contract with health care providers listed on the card; or (3) The discounts offered are misleading, deceptive, or fraudulent.

Any person or entity may bring an action against the seller or promoter of the cards. Penalties for violation include: (1) An injunction against the continuing sale of the cards; (2) Payment of \$100 per card sold or promoted within the state with a limit of \$10,000; (3) Payment of three times the amount of the actual damages sustained; and (4) Attorney fees and costs.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

#### SOURCES OF INFORMATION

Department of Public Safety -  
Missouri State Highway Patrol  
Department of Insurance  
Missouri Consolidated Health Care Plan  
Department of Transportation  
Office of the State Courts Administrator  
Department of Health  
Missouri Department of Conservation  
Attorney General's Office  
Secretary of State's Office



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March 5, 2002